



Matthew W. Gissendanner  
Assistant General Counsel

[matthew.gissendanner@scana.com](mailto:matthew.gissendanner@scana.com)

February 9, 2018

**VIA ELECTRONIC FILING**

Mr. David Butler, Esquire  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, South Carolina 29210

RE: Linda D. Sinclair v. South Carolina Electric & Gas Company  
Docket No. 2018-45-G

Dear Mr. Butler:

On or about February 1, 2018, Linda Sinclair ("Ms. Sinclair") commenced the instant action by filing a complaint with the Public Service Commission of South Carolina ("Commission"). By way of this letter, SCE&G hereby responds to the complaint and respectfully requests that the Commission dismiss Ms. Sinclair's complaint on the grounds that she has failed to state a claim upon which relief can be granted. While the Commission is considering SCE&G's request, the Company also requests that the Commission toll the hearing date and the deadlines for filing testimony for all parties in the above-referenced docket.

In her complaint, Ms. Sinclair complains about SCE&G's gas weather normalization adjustment ("Gas WNA"), asserting that "the WNA for gas cost me \$63 in 2016, \$66 in 2017" on her bills for natural gas service provided to her residence at 107 Hermitage Road in Lexington, South Carolina.<sup>1</sup> Ms. Sinclair states that SCE&G sells gas to North Carolina and Georgia customers but is "not allowed to charge the WNA assessment in those states because their PSC won't allow it."<sup>2</sup> Ms. Sinclair

---

<sup>1</sup> The account for electric service at 107 Hermitage Road is in the name of Charles A. Sinclair. Ms. Sinclair is listed as a spouse on the account and is therefore an authorized person on the account. SCE&G denies that the Gas WNA cost the Sinclairs \$63 in 2016 and \$66 in 2017. The Gas WNA resulted in an upward adjustment of approximately \$35.17 for bills rendered to the Sinclairs in calendar year 2016 and an upward adjustment of approximately \$78.10 for bills rendered to the Sinclairs in calendar year 2017.

<sup>2</sup> SCE&G denies that it sells gas in North Carolina and Georgia. SCE&G also denies that North Carolina and Georgia do not allow utilities to employ a Gas WNA or other similar mechanism. See Public Service Company of N.C., Inc. N.C.U.C. Tariff – Rider C, available

(Continued . . .)

Mr. David Butler, Esquire  
 February 9, 2018  
 Page 2

---

alleges that “the value of the WNA also fluctuates from a low of 0.02 to a high of 0.488 f[r]om Oct[ober] 2015 to April 2017” and requests that the Commission explain “why [it] allow[s] the rate for gas to fluctuate from month to month.”<sup>3</sup> Based on these allegations, Ms. Sinclair requests that the Commission “[s]top the [Gas] WNA immediately.”

Under the Gas WNA, SCE&G calculates a rate adjustment for each customer under rate schedules 31, 32V, 32S, and 33 during the billing months of November through April. The Gas WNA adjusts SCE&G’s natural gas rate (excluding purchased gas costs) to normal weather conditions for a given billing period. The Gas WNA adjusts the rate downward in colder than normal weather and upward in warmer than normal weather. In short, the Gas WNA is designed to adjust the rate that customers are charged for gas consumed to account for abnormal weather.

By Order No. 91-971, issued in Docket Number 91-342-G, the Commission approved the Gas WNA mechanism to be effective on November 1, 1991, for implementation in the Company’s December 1991 billing cycles. The Commission further ordered that the implementation of the Gas WNA would be effective for three years beginning in November 1991 and that it would be subject to annual docketed review by the Commission. By Order No. 92-821, issued in Docket Number 91-342-G, the Commission ordered the Company to implement certain modifications to the Gas WNA, which the Company did. By Order No. 94-875, issued in Docket Number 91-342-G, the Commission ordered that the Gas WNA for SCE&G be made permanent and continued on an indefinite basis. And, finally by Order No. 2005-619, the Commission allowed the Gas WNA to be applied to Residential Rate Schedules 32S and 32V and Commercial Rate Schedules 31 and 33.

---

at [https://www.psnenergy.com/docs/librariesprovider6/psnc-rates/rider\\_c.pdf?sfvrsn=4](https://www.psnenergy.com/docs/librariesprovider6/psnc-rates/rider_c.pdf?sfvrsn=4); Weather Normalization Adjustment (WNA) Rider for Liberty Utilities (Peach State Natural Gas) Corp., 4th Revised Sheet No. 33.1, available at [https://georgia.libertyutilities.com/uploads/LU\\_Georgia\\_Tariff\\_April-21-2016.pdf](https://georgia.libertyutilities.com/uploads/LU_Georgia_Tariff_April-21-2016.pdf); see also American Gas Association, Innovative Rates, Non-Volumetric Rates, And Tracking Mechanisms: Current List, December 2016, pp. 12 (indicating that both North Carolina and Georgia have approved Gas WNA mechanisms).

<sup>3</sup> SCE&G admits that, from October 2015 to April 2017, the lowest upward adjustment to the Sinclairs’ rate as a result of the Gas WNA was \$0.0212 per therm in February 2016 and the highest upward adjustment to the Sinclairs’ rate as a result of the Gas WNA was \$0.48829 per therm in November 2016. A downward adjustment of \$0.02962 per therm occurred in March 2016. The Gas WNA resulted in an upward adjustment of approximately \$53.17 for bills rendered to the Sinclairs from November 2015 through April 2016 and an upward adjustment of approximately \$77.14 for bills rendered to the Sinclairs from November 2016 through April 2017.

Mr. David Butler, Esquire  
 February 9, 2018  
 Page 3

---

The South Carolina Office of Regulatory Staff ("ORS") recently reviewed the Gas WNA. In its "Review of the Natural Gas Weather Normalization Adjustment for SCE&G," dated September 20, 2017, the ORS determined as follows:

[T]he [Gas ]WNA mechanism benefits SCE&G customers and fulfills its primary functions to reduce the impact of extreme weather on customer bills and stabilize the impact of extreme weather on utility revenue. ORS recommends that SCE&G continue to apply the [Gas ]WNA mechanism to natural gas customer bills during the months of November through April.

SCE&G continues to administer the Gas WNA as directed by the Commission in Order Nos. 94-875 and 2005-619. As such, Ms. Sinclair's complaint fails to allege that SCE&G violated any applicable statute, rule, regulation, or order administered or issued by the Commission.

Based upon the foregoing, SCE&G respectfully requests that Ms. Sinclair's complaint be dismissed. Moreover, SCE&G requests that while the Commission is considering the Company's request, the Commission toll the hearing date and the deadlines for filing testimony for all parties in the above-referenced docket.

Any statement or allegation not specifically admitted herein is denied.<sup>4</sup> **By copy of this letter, we are serving this motion and the affidavit of Cindi G. Hux upon Ms. Sinclair as well as counsel for the ORS and enclose a certificate of service to that effect.**

**Moreover, by copy of this letter, we are also informing Ms. Sinclair that, pursuant to Commission Regulation 103-829, her response to this motion is due within ten (10) days after service of the motion. According to our calculations, Ms. Sinclair's response is due on or before February 19, 2018.**

---

<sup>4</sup>Among other things, Ms. Sinclair claims that the electric WNA, which has been discontinued, "cost [her] close to \$400 yearly." SCE&G denies this allegation and avers that the electric WNA resulted in a total downward adjustment to the Sinclairs' electric bills of \$107.01 in the last five months of 2010 after the electric WNA was implemented, a total downward adjustment of \$288.21 in 2011, a total upward adjustment of \$241.98 in 2012, and a total upward adjustment of \$140.13 in 2013. In sum, during the time the electric WNA was operating, the Sinclairs received a total net downward adjustment of \$13.11.

Mr. David Butler, Esquire  
February 9, 2018  
Page 4

---

If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,



Matthew W. Gissendanner

MWG/kms  
Enclosure

cc: Linda Sinclair  
Dawn Hipp  
Jeffrey M. Nelson, Esquire  
(all via U.S. First Class Mail w/enclosure)

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2018-45-G**

**IN RE:** )  
 )  
Linda D. Sinclair, )  
 )  
Complainant/Petitioner, )  
 )  
v. )  
 )  
South Carolina Electric & Gas Company, )  
 )  
Defendant/Respondent. )  
\_\_\_\_\_ )

**AFFIDAVIT**

Personally appeared before me Cindi G. Hux who, having first been duly sworn, deposes and states as follows:

1. My name is Cindi G. Hux and I am a Supervisor for Customer Service-Quality Assurance for South Carolina Electric & Gas Company ("SCE&G" or "Company"). Among other things, I am responsible for the investigation of customer complaints received through the South Carolina Office of Regulatory Staff as well as customer complaints filed with the Public Service Commission of South Carolina ("Commission") requesting a hearing before the Commission. I am competent to make this affidavit.

2. This affidavit is based upon my personal knowledge and review of documents received and maintained in the ordinary course of business by SCE&G. I am familiar with the records of SCE&G that pertain to Ms. Linda D. Sinclair and have personally worked on the documents and records concerning Ms. Sinclair.

3. I assisted SCE&G's attorney in preparing the Company's Answer and Motion to Dismiss dated February 9, 2018, which was filed in response to the Complaint of Ms. Sinclair dated January 29, 2018. I have read the Answer and Motion to Dismiss and verify that the information contained therein is true and accurate to best of my knowledge, information and belief.

**FURTHER AFFIANT SAYETH NOT.**

Cindi G. Hux  
Cindi G. Hux

Sworn to and subscribed before me  
this 9th day of February, 2018

Karen Meek Scruggs  
Notary Public for South Carolina  
My Commission Expires: 1/26/26



BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2018-45-G

IN RE:

Linda D. Sinclair v.	)	
South Carolina Electric & Gas Company	)	<b>CERTIFICATE</b>
	)	<b>OF SERVICE</b>
_____	)	

This is to certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Answer and Motion to Dismiss** to the persons named below at the addresses set forth via U.S. First Class Mail:

Linda D. Sinclair  
107 Hermitage Road  
Lexington, SC 29072

Jeffrey M. Nelson, Esquire  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201

Dawn Hipp  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201

  
\_\_\_\_\_  
Karen M. Scruggs

Cayce, South Carolina

This 9th day of February 2018